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Attorneys for TRACY HOPE DAVIS  
United States Trustee for Region 17

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF CALIFORNIA  
BAKERSFIELD DIVISION**

In re:	)	Case No. 22-11907
	)	Chapter 11
FREON LOGISTICS,	)	DC No.: UST-1
	)	
	)	Date: December 13, 2022
	)	Time: 9:30 a.m.
	)	Place: United States Courthouse
	)	Courtroom 13, Fifth Floor
Debtor.	)	2500 Tulare Street
	)	Fresno, California
	)	
	)	Judge: Hon. Rene Lastreto II

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**SUPPLEMENTAL DECLARATION OF CARLA CORDERO IN SUPPORT OF THE  
UNITED STATES TRUSTEE'S MOTION, PURSUANT TO 11 U.S.C. § 1112(b) AND  
FEDERAL RULES OF BANKRUPTCY PROCEDURE 1017(f) AND 9014, TO CONVERT  
OR DISMISS CASE.**

I, Carla Cordero, declare as follows:

1. I am employed as a Bankruptcy Auditor/Analyst in the Office of the United States Trustee, Region 17. I am over the age of 18. I have personal knowledge of the facts set forth herein and based on that personal knowledge I assert that all such facts are true and correct to the best of

1 my knowledge. To the extent I base my testimony upon information and belief or upon admissible  
2 evidence other than my personal knowledge, I will specifically so state.

3 2. I make this supplemental declaration in support of the *Motion of the U.S. Trustee to*  
4 *Dismiss or Convert Chapter 11 Case Pursuant to 11 U.S.C. § 1112(b) and Federal Rules of*  
5 *Bankruptcy Procedure 1017(f) and 9014* (the “Motion”), which seeks to convert or dismiss the  
6 above-captioned case of debtor Freon Logistics (the “Debtor”).

7 3. I am the Bankruptcy Auditor assigned to the bankruptcy proceeding of the Debtor.

8 4. On December 7, 2022, I personally conducted an Initial Debtor Interview (“IDI”), to  
9 review the current state of the Debtor’s operations. I was not able to conclude my review of the  
10 Debtor’s case because the Debtor has not yet provided all documents requested by the U.S. Trustee  
11 and the Debtor’s Schedules and Statements were filed only one day prior to the IDI. I have informed  
12 Debtor’s counsel that a substantive IDI shall be held on December 13, 2022, in advance of the initial  
13 § 341(a) meeting of creditors which is set for December 15, 2022.

14 5. Amarinder (aka Mike) Singh, the Secretary of Freon Logistics, appeared at the IDI  
15 with his counsel, Leonard Welsh.

16 6. At the IDI, Mr. Singh stated as follows:

- 17 a. That due to cash flow issues the Debtor had not been able to pay employees  
18 postpetition and, further, that the Debtor had not been able to pay the prepetition  
19 wages which had been authorized in connection with the Debtor’s  
20 Motion/Application to Pay Prepetition Wages (LKW-5); and  
21 b. As a result of the nonpayment of wages, of the approximately 500 employees that  
22 Freon employed as of the petition date, only about 35-40 remain currently.  
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24 7. In addition to the foregoing, Mr. Singh stated that the property loss and damage  
25 portion<sup>2</sup> of the vehicle insurance had lapsed on November 14, 2022.  
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<sup>2</sup> Mr. Singh asserts that the liability portion of the vehicle insurance was included in the general liability policy. However, I have not been provided with evidence of this assertion.

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3           8.       It was not clear from the IDI when the Debtor stopped operating its vehicles after  
4 November 14, 2022.

5           I declare under penalty of perjury that the foregoing is true and correct.

6 Executed on December 8, 2022, in Sacramento, California.

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8 /s/ Carla K. Cordero

9 Carla K. Cordero

10 Bankruptcy Analyst for the

11 United States Trustee, Region 17  
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